

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF NORTH CAROLINA  
(Charlotte Division)

In re:	)	Chapter 11
	)	
<b>BK RACING, LLC</b>	)	Case No. 18-30241
	)	
Debtor.	)	

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**RESPONSE TO TRUSTEE'S SALE MOTION**

Champion Tire & Wheel, Inc. ("Champion"), a creditor in the above-referenced bankruptcy proceeding of BK Racing, LLC (the "Debtor"), hereby files this response to the *Trustee's Motion for Order (I) Approving Bidding and Sale Procedures in Connection with the Sale of Charter and Related Assets, (II) Approving Agreement with Stalking Horse Bidder, (III) Scheduling Competitive Sale and Sale Approval Hearing, and (IV) Approving Sale Free and Clear of Liens to Good Faith Purchaser* (the "Sale Motion"). [Doc. 153]. In response to the Sale Motion, Champion shows the following to the Court:

1. Champion filed a proof of claim in the Debtor's case on July 10, 2018 ("Champion's Claim"). [Claim 43-1]. Champion's Claim is secured, in part, by certain items of the Debtor's personal property that are currently in Champion's possession. These assets consist of two pit boxes, one tire buggy, one cook cart, the Debtor's tire inventory, and the Debtor's wheel inventory (collectively, the "Encumbered Property").

2. The Encumbered Property secures \$43,200.00 of Champion's Claim pursuant to statutory liens provided by North Carolina state law. Champion filed a *Notice of Perfection of Lien Pursuant to Bankruptcy Code Section 546(b)* on July 10, 2018. [Doc. 150].

3. In the Sale Motion, the Trustee seeks approval to auction the Debtor's "Tangible Assets," which are defined as "including those certain titled motor vehicles and those certain

items of equipment and other fixed assets identified on Schedule B.41.1 and Schedule B.50 attached to the Debtor's Schedule A/B filed in this Case . . . ." [Doc. 153 at ¶ 7].

4. Champion would consent to the sale of the Encumbered Property provided that the approved sale procedures protect Champion's interests in the Encumbered Property. To the extent the Trustee is seeking approval to sell the Encumbered Property as part of the Debtor's Tangible Assets, Champion requests that the Trustee sell the Encumbered Property in an identifiable lot or lots, with Champion's liens attaching to the proceeds thereof.

**WHEREFORE**, Champion requests that the Court condition any approval of the Sale Motion on the Trustee selling the Encumbered Property in an identifiable and segregated lot or lots, and order that Champion's liens attach to the proceeds thereof.

Dated: Charlotte, North Carolina  
July 19, 2018

**MOON WRIGHT & HOUSTON, PLLC**

/s/ Andrew T. Houston

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